

Fill in this information to identify your case:

United States Bankruptcy Court for the:

SOUTHERN DISTRICT OF TEXAS

Case number (if known)

Chapter

11☐ Check if this an amended filing

Official Form 201

Voluntary Petition for Non-Individuals Filing for Bankruptcy

4/16

If more space is needed, attach a separate sheet to this form. On the top of any additional pages, write the debtor's name and case number (if known). For more information, a separate document, *Instructions for Bankruptcy Forms for Non-Individuals*, is available.

1.	Debtor's name	<u>Watson Grinding & Manufacturing Co.</u>	
<hr/>			
2.	All other names debtor used in the last 8 years Include any assumed names, trade names and <i>doing business as</i> names		
<hr/>			
3.	Debtor's federal Employer Identification Number (EIN)	<u>74-1739242</u>	
<hr/>			
4.	Debtor's address	Principal place of business <u>4525 Gessner Road</u> <u>Houston, TX 77041</u> Number, Street, City, State & ZIP Code <u>Harris</u> County	Mailing address, if different from principal place of business <u>McDowell Hetherington LLP</u> <u>1001 Fannin, Suite 2700</u> <u>Houston, TX 77002</u> P.O. Box, Number, Street, City, State & ZIP Code Location of principal assets, if different from principal place of business Number, Street, City, State & ZIP Code
<hr/>			
5.	Debtor's website (URL)	<u>www.watsongrinding.com</u>	
<hr/>			
6.	Type of debtor	<input checked="" type="checkbox"/> Corporation (including Limited Liability Company (LLC) and Limited Liability Partnership (LLP)) <input type="checkbox"/> Partnership (excluding LLP) <input type="checkbox"/> Other. Specify: _____	

Debtor **Watson Grinding & Manufacturing Co.**
Name

Case number (if known)

7. Describe debtor's business**A. Check one:**

- ☐ Health Care Business (as defined in 11 U.S.C. § 101(27A))
- ☐ Single Asset Real Estate (as defined in 11 U.S.C. § 101(51B))
- ☐ Railroad (as defined in 11 U.S.C. § 101(44))
- ☐ Stockbroker (as defined in 11 U.S.C. § 101(53A))
- ☐ Commodity Broker (as defined in 11 U.S.C. § 101(6))
- ☐ Clearing Bank (as defined in 11 U.S.C. § 781(3))
- ☒ None of the above

B. Check all that apply

- ☐ Tax-exempt entity (as described in 26 U.S.C. §501)
- ☐ Investment company, including hedge fund or pooled investment vehicle (as defined in 15 U.S.C. §80a-3)
- ☐ Investment advisor (as defined in 15 U.S.C. §80b-2(a)(11))

C. NAICS (North American Industry Classification System) 4-digit code that best describes debtor.
See <http://www.uscourts.gov/four-digit-national-association-naics-codes>.

33-2812**8. Under which chapter of the Bankruptcy Code is the debtor filing?****Check one:**

- ☐ Chapter 7
- ☐ Chapter 9

☒ Chapter 11. **Check all that apply:**

- ☐ Debtor's aggregate noncontingent liquidated debts (excluding debts owed to insiders or affiliates) are less than \$2,566,050 (amount subject to adjustment on 4/01/19 and every 3 years after that).
- ☐ The debtor is a small business debtor as defined in 11 U.S.C. § 101(51D). If the debtor is a small business debtor, attach the most recent balance sheet, statement of operations, cash-flow statement, and federal income tax return or if all of these documents do not exist, follow the procedure in 11 U.S.C. § 1116(1)(B).
- ☐ A plan is being filed with this petition.
- ☐ Acceptances of the plan were solicited prepetition from one or more classes of creditors, in accordance with 11 U.S.C. § 1126(b).
- ☐ The debtor is required to file periodic reports (for example, 10K and 10Q) with the Securities and Exchange Commission according to § 13 or 15(d) of the Securities Exchange Act of 1934. File the *attachment to Voluntary Petition for Non-Individuals Filing for Bankruptcy under Chapter 11* (Official Form 201A) with this form.
- ☐ The debtor is a shell company as defined in the Securities Exchange Act of 1934 Rule 12b-2.

☐ Chapter 12**9. Were prior bankruptcy cases filed by or against the debtor within the last 8 years?**☒ No.☐ Yes.

If more than 2 cases, attach a separate list.

District	_____	When	_____	Case number	_____
District	_____	When	_____	Case number	_____

10. Are any bankruptcy cases pending or being filed by a business partner or an affiliate of the debtor?☒ No☐ Yes.

List all cases. If more than 1, attach a separate list

Debtor	_____	Relationship	_____
District	_____	When	_____
		Case number, if known	_____

Debtor **Watson Grinding & Manufacturing Co.**
Name

Case number (if known)

11. Why is the case filed in this district?*Check all that apply:*

- ☒ Debtor has had its domicile, principal place of business, or principal assets in this district for 180 days immediately preceding the date of this petition or for a longer part of such 180 days than in any other district.
- ☐ A bankruptcy case concerning debtor's affiliate, general partner, or partnership is pending in this district.

12. Does the debtor own or have possession of any real property or personal property that needs immediate attention?☒ No☐ Yes. Answer below for each property that needs immediate attention. Attach additional sheets if needed.**Why does the property need immediate attention?** (*Check all that apply.*)☐ It poses or is alleged to pose a threat of imminent and identifiable hazard to public health or safety.

What is the hazard? _____

☐ It needs to be physically secured or protected from the weather.☐ It includes perishable goods or assets that could quickly deteriorate or lose value without attention (for example, livestock, seasonal goods, meat, dairy, produce, or securities-related assets or other options).☐ Other _____**Where is the property?** _____

Number, Street, City, State & ZIP Code

Is the property insured?☐ No☐ Yes. Insurance agency _____

Contact name _____

Phone _____

Statistical and administrative information**13. Debtor's estimation of available funds***Check one:*

- ☒ Funds will be available for distribution to unsecured creditors.
- ☐ After any administrative expenses are paid, no funds will be available to unsecured creditors.

14. Estimated number of creditors☐ 1-49☐ 50-99☐ 100-199☒ 200-999☐ 1,000-5,000☐ 5001-10,000☐ 10,001-25,000☐ 25,001-50,000☐ 50,001-100,000☐ More than 100,000**15. Estimated Assets**☐ \$0 - \$50,000☐ \$50,001 - \$100,000☐ \$100,001 - \$500,000☐ \$500,001 - \$1 million☐ \$1,000,001 - \$10 million☒ \$10,000,001 - \$50 million☐ \$50,000,001 - \$100 million☐ \$100,000,001 - \$500 million☐ \$500,000,001 - \$1 billion☐ \$1,000,000,001 - \$10 billion☐ \$10,000,000,001 - \$50 billion☐ More than \$50 billion**16. Estimated liabilities**☐ \$0 - \$50,000☐ \$50,001 - \$100,000☐ \$100,001 - \$500,000☐ \$500,001 - \$1 million☐ \$1,000,001 - \$10 million☒ \$10,000,001 - \$50 million☐ \$50,000,001 - \$100 million☐ \$100,000,001 - \$500 million☐ \$500,000,001 - \$1 billion☐ \$1,000,000,001 - \$10 billion☐ \$10,000,000,001 - \$50 billion☐ More than \$50 billion

Debtor **Watson Grinding & Manufacturing Co.**
Name

Case number (if known)

Request for Relief, Declaration, and Signatures**WARNING** -- Bankruptcy fraud is a serious crime. Making a false statement in connection with a bankruptcy case can result in fines up to \$500,000 or imprisonment for up to 20 years, or both. 18 U.S.C. §§ 152, 1341, 1519, and 3571.**17. Declaration and signature
of authorized
representative of debtor**

The debtor requests relief in accordance with the chapter of title 11, United States Code, specified in this petition.

I have been authorized to file this petition on behalf of the debtor.

I have examined the information in this petition and have a reasonable belief that the information is true and correct.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on **February 6, 2020**
MM / DD / YYYY**X /s/ Robert White**
Signature of authorized representative of debtor

Title **Chief Operating Officer****Robert White**
Printed name**18. Signature of attorney****X /s/ Jarrod B. Martin**
Signature of attorney for debtorDate **February 6, 2020**
MM / DD / YYYY**Jarrod B. Martin**
Printed name**McDowell Hetherington LLP**
Firm name**1001 Fannin, Suite 2700**
Houston, TX 77002
Number, Street, City, State & ZIP CodeContact phone **(713) 337-5580** Email address **jarrod.martin@mhlip.com****24070221 TX**
Bar number and State

GLOBAL NOTES

On the date hereof, each of Watson Grinding & Manufacturing Co. and Watson Valve Services, Inc. have significant contingent, unliquidated, and disputed liabilities. The estimation of assets and liabilities set forth in the Petition are unknown and could substantially vary from the estimations provided. Nothing in the petition shall be deemed an admission of liability. The Debtor reserves all rights to object to any claims against them.

On the date hereof, each of the affiliated entities listed below, including the debtor in this chapter 11 case (collectively, the “**Debtors**”), filed a petition with this Court for relief under chapter 11 of the Bankruptcy Code. Contemporaneously with the filing of their petitions, the Debtors filed a motion requesting that the chapter 11 cases of the entities listed below be consolidated for procedural purposes only and jointly administered pursuant to Rule 1015(b) of the Federal Rules of Bankruptcy Procedure.

Debtor Name
Watson Grinding and Manufacturing Co.
Watson Valve Services, Inc.

On the date hereof, the Debtors do not have access to all of their books and records. The list of twenty largest creditors is an estimate based upon the information available to the Debtors at this time.

RESOLUTION OF THE BOARD OF DIRECTORS OF
WATSON GRINDING AND MANUFACTURING CO.

February 3, 2020

WHEREAS, Watson Grinding and Manufacturing Co. (the "Company") has experienced recent significant financial and liquidity stresses, and, upon a review and analysis of the present and expected future status, conditions, and prospects of the assets, liabilities, affairs, and opportunities of the Company, the Board of Directors has determined that the best interests of the Company and its creditors, equity security holders, and other constituencies would be best served, and the value of its assets and any business operations would be best preserved and protected, by the filing of a voluntary petition under chapter 11 of title 11 of the United States Code (the "Bankruptcy Code") by the Company. The Company intends to reorganize through this chapter 11 process.

NOW, THEREFORE, the Board hereby adopts and approves the following resolutions and take the following actions:

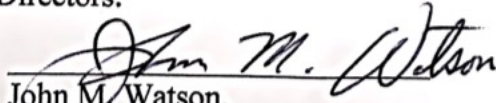
RESOLVED, the Company, through its duly elected or appointed Officers, is authorized to execute and verify any and all documents necessary to complete the filing of a voluntary petition for relief under chapter 11 of the Bankruptcy Code (the "Chapter 11 Case") in the United States Bankruptcy Court for the Southern District of Texas (the "Bankruptcy Court"), for and on behalf of the Company;

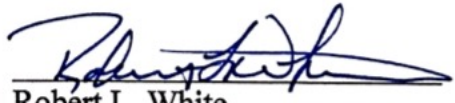
FURTHER RESOLVED, that the Company is authorized, empowered and directed to retain the law firms of McDowell Hetherington, LLP and Jones, Murray & Beatty, LLC, as co-counsel to represent the Company in the Chapter 11 Case, subject to any requisite Bankruptcy Court approval;

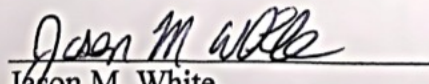
FURTHER RESOLVED, that the Company is authorized to designate Robert L. White, Chief Executive Officer, as the authorized representative in the chapter 11 cases;

FURTHER RESOLVED, that any and all past actions heretofore taken by the Officers of Directors of the Company in the name and on behalf of the Company in furtherance of any or all of the preceding resolutions are, and the same hereby are, ratified, confirmed, and approved.

The resolution is hereby **APPROVED** this 3rd day of February 2020 by the undersigned Directors:


John M. Watson,
President and Chief Executive Officer


Robert L. White,
Chief Operating Officer, Secretary


Jason M. White,
Executive Vice President

Fill in this information to identify the case:Debtor name Watson Grinding & Manufacturing Co.United States Bankruptcy Court for the: SOUTHERN DISTRICT OF TEXAS

Case number (if known) _____

☐ Check if this is an amended filing

Official Form 202

Declaration Under Penalty of Perjury for Non-Individual Debtors

12/15

An individual who is authorized to act on behalf of a non-individual debtor, such as a corporation or partnership, must sign and submit this form for the schedules of assets and liabilities, any other document that requires a declaration that is not included in the document, and any amendments of those documents. This form must state the individual's position or relationship to the debtor, the identity of the document, and the date. Bankruptcy Rules 1008 and 9011.

WARNING -- Bankruptcy fraud is a serious crime. Making a false statement, concealing property, or obtaining money or property by fraud in connection with a bankruptcy case can result in fines up to \$500,000 or imprisonment for up to 20 years, or both. 18 U.S.C. §§ 152, 1341, 1519, and 3571.

Declaration and signature

I am the president, another officer, or an authorized agent of the corporation; a member or an authorized agent of the partnership; or another individual serving as a representative of the debtor in this case.

I have examined the information in the documents checked below and I have a reasonable belief that the information is true and correct:

- ☐ *Schedule A/B: Assets—Real and Personal Property* (Official Form 206A/B)
- ☐ *Schedule D: Creditors Who Have Claims Secured by Property* (Official Form 206D)
- ☐ *Schedule E/F: Creditors Who Have Unsecured Claims* (Official Form 206E/F)
- ☐ *Schedule G: Executory Contracts and Unexpired Leases* (Official Form 206G)
- ☐ *Schedule H: Codebtors* (Official Form 206H)
- ☐ *Summary of Assets and Liabilities for Non-Individuals* (Official Form 206Sum)
- ☐ *Amended Schedule*
- ☒ *Chapter 11 or Chapter 9 Cases: List of Creditors Who Have the 20 Largest Unsecured Claims and Are Not Insiders* (Official Form 204)
- ☐ Other document that requires a declaration _____

I declare under penalty of perjury that the foregoing is true and correct.

Executed on February 6, 2020**X /s/ Robert White**

Signature of individual signing on behalf of debtor

Robert White

Printed name

Chief Operating Officer

Position or relationship to debtor

Fill in this information to identify the case:

Debtor name **Watson Grinding & Manufacturing Co.**
 United States Bankruptcy Court for the: **SOUTHERN DISTRICT OF TEXAS**
 Case number (if known): _____

☐ Check if this is an
 amended filing

Official Form 204
Chapter 11 or Chapter 9 Cases: List of Creditors Who Have the 20 Largest Unsecured Claims and Are Not Insiders

12/15

A list of creditors holding the 20 largest unsecured claims must be filed in a Chapter 11 or Chapter 9 case. Include claims which the debtor disputes. Do not include claims by any person or entity who is an insider, as defined in 11 U.S.C. § 101(31). Also, do not include claims by secured creditors, unless the unsecured claim resulting from inadequate collateral value places the creditor among the holders of the 20 largest unsecured claims.

Name of creditor and complete mailing address, including zip code	Name, telephone number and email address of creditor contact	Nature of claim (for example, trade debts, bank loans, professional services, and government contracts)	Indicate if claim is contingent, unliquidated, or disputed	Amount of claim If the claim is fully unsecured, fill in only unsecured claim amount. If claim is partially secured, fill in total claim amount and deduction for value of collateral or setoff to calculate unsecured claim.		
				Total claim, if partially secured	Deduction for value of collateral or setoff	Unsecured claim
Astro Alloyws Inc. 9155 Emmott Road Houston, TX 77040						\$0.00
Baker Botts LLP 910 Louisian Street Suite 3200 Houston, TX 77002						\$68,000.00
C&M Technologies Group, Inc. 350 North Saint Paul Street Dallas, TX 75201						\$0.00
Earl M. Jorgensen 6201 Lumerdale Road Houston, TX 77092						\$0.00
Gulfco Forge Company 6817 Industrial Road Houston, TX 77005						\$0.00
Halco Metals 9611 Telge Road Houston, TX 77095						\$0.00
Hunter Chemical LLC 220 Commerce Drive #200 Fort Washington, PA 19034						\$0.00
Lineage Alloys 1901 Ellis School Road Baytown, TX 77521						\$0.00
Matheson Tri-Gas 166 Keystone Drive Montgomeryville, PA 18936						\$0.00

Debtor **Watson Grinding & Manufacturing Co.**
Name

Case number (if known)

Name of creditor and complete mailing address, including zip code	Name, telephone number and email address of creditor contact	Nature of claim (for example, trade debts, bank loans, professional services,	Indicate if claim is contingent, unliquidated, or disputed	Amount of claim If the claim is fully unsecured, fill in only unsecured claim amount. If claim is partially secured, fill in total claim amount and deduction for value of collateral or setoff to calculate unsecured claim.		
				Total claim, if partially secured	Deduction for value of collateral or setoff	Unsecured claim
North American Höganäs Co. 111 Hoganas Way Hollsopple, PA 15935						\$0.00
Norton Rose Fulbright 1301 McKinney Street Suite 1500 Houston, TX 77010						\$58,000.00
Parrish International, Inc. PO Box 468 Hempstead, TX 77445						\$0.00
Scott Stainless Specialities 501 Georgia Avenue South Houston, TX 77587						\$0.00
Technical Engineering, LLC 100 Chapel Road Manchester, CT 06042						\$0.00
Texas Capital Bank c/o Timothy Million 600 Travis Street Suite 2350 Houston, TX 77002				\$3,000,000.00	\$0.00	\$3,000,000.00
ThyssenKrupp Attention: General Counsel 111 W Jackson Boulevard Suite 2400 Chicago, IL 60604						\$0.00
Tricor Metals 3517 N Loop 336 W Conroe, TX 77304						\$280,000.00
Victory Metals 4125 Hollister Road Houston, TX 77080						\$0.00
Vinatech Engineering 7747 Formula Place San Diego, CA 92121						\$0.00
Webb Industrial LLC 2433 Lofton Terrace Fort Worth, TX 76109						\$0.00

Debtor **Watson Grinding & Manufacturing Co.**
Name

Case number (if known)

**United States Bankruptcy Court
Southern District of Texas**

In re **Watson Grinding & Manufacturing Co.**

Debtor(s)

Case No.

Chapter

11

VERIFICATION OF CREDITOR MATRIX

I, the Chief Operating Officer of the corporation named as the debtor in this case, hereby verify that the attached list of creditors is true and correct to the best of my knowledge.

Date: **February 6, 2020**

/s/ Robert White

Robert White/Chief Operating Officer

Signer/Title

**United States Bankruptcy Court
Southern District of Texas**

In re **Watson Grinding & Manufacturing Co.**

Debtor(s)

Case No.

Chapter

11

CORPORATE OWNERSHIP STATEMENT (RULE 7007.1)

Pursuant to Federal Rule of Bankruptcy Procedure 7007.1 and to enable the Judges to evaluate possible disqualification or recusal, the undersigned counsel for **Watson Grinding & Manufacturing Co.** in the above captioned action, certifies that the following is a (are) corporation(s), other than the debtor or a governmental unit, that directly or indirectly own(s) 10% or more of any class of the corporation's(s') equity interests, or states that there are no entities to report under FRBP 7007.1:

☒ None [*Check if applicable*]

February 6, 2020

Date

/s/ Jarrod B. Martin**Jarrod B. Martin**

Signature of Attorney or Litigant

Counsel for **Watson Grinding & Manufacturing Co.****McDowell Hetherington LLP****1001 Fannin, Suite 2700****Houston, TX 77002****(713) 337-5580 Fax: (713) 337-8850****jarrod.martin@mhllp.com**